

## Quadriga Aqua UCITS

31st Dec 2022

Quadriga AQUA UCITS is a liquid absolute return strategy focused on 1) capital preservation, 2) large absolute returns during risk on markets, and 3) flat to low negative returns in hostile markets, which we achieve via a structural allocation to anti-bubbles and anti-crisis strategies via long-only options. Managed on a discretionary basis following a disciplined framework and risk limits which include 1) no leverage, 2) no outright shorts, 3) long only options, combining fundamental top-down macro, bottom-up micro, quantitative, technical, and positioning analysis, within a disciplined framework for portfolio construction and risk management.



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## Monthly Commentary

What happened during the month? Quadriga Aqua UCITS is -6,67% in December. During december we saw a reversal of the risk on initiated since october due to more hawkish than expected central banks, especially the FED and the ECB, and it is true that while inflation numbers have eased somehow in USA they are still way over the target, meanwhile labor market keep giving signs of tightness. In Europe inflation is simply too high, almost 5x the target level and the ECB is way behind the curve. The only exception of risk off has been China, where the change in zero covid policy has sustained the big rally in equities and especially in the CNH. Although the opening of the economy is good news, we see this as transitory and see the structural fundamental problems of the chinese economy unresolved and even increasing. Bonds resumed their way down with yields adapting to the new central banks guidance meanwhile leading indicators keep giving strong slowdown signals. We see this combination of lower growth, high inflation as very negative for corporate earnings and see the market expectations as too optimistic.

Class	Currency	ISIN	Fees
A	USD	LU1844121522	1,5%/0%
B	USD	LU1844121795	0%/20%
C	USD	LU1900071546	2,0%/0%
D	EUR	LU1955045635	1,5%/0%
E	EUR	LU1955045809	0%/20%
F	GBP	LU2008876034	1,5%/0%

## Positioning Aqua UCITS

Positioning	Start Month	End Month	Total %
US EQUITIES	100.0%	98.8%	-1.2%
INSURANCE	14.2%	11.9%	-2.3%

Options (% AUM)	2022	2023	2024	>2024	Total
Gold & PM	0.0%	-2.0%	0.0%	-0.1%	-2.1%
SPX & Vix	0.0%	-2.1%	0.0%	0.0%	-2.1%
FX & Rates	0.0%	-2.1%	-3.8%	-1.8%	-7.7%
<b>Total</b>	<b>0.0%</b>	<b>-6.2%</b>	<b>-3.8%</b>	<b>-1.9%</b>	<b>-11.9%</b>

## Performance Attribution Aqua UCITS

Attribution %	Month %	YTD	LTD
US EQUITIES	-5.7%	-17.2%	60.6%
INSURANCE	-1.0%	14.8%	-9.0%
AQUA	-6.7%	-2.4%	51.6%

**Closed/Restructured positions:** We rolled VIX Call Spreads.

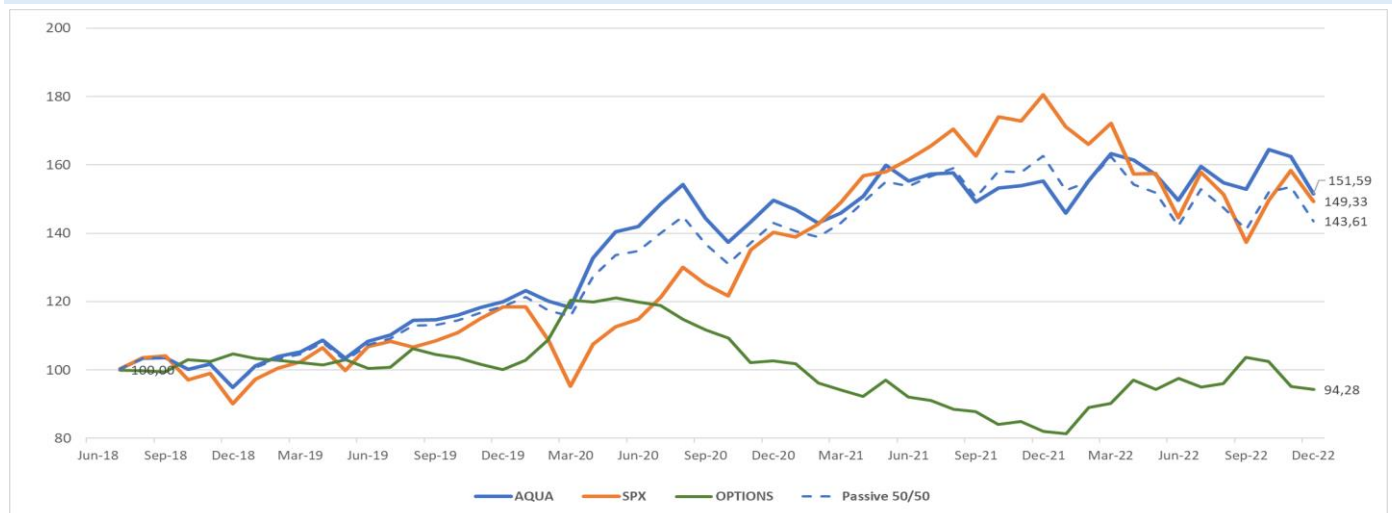
**New Trades:** We closed our call spread in SPX and substituted by long SPX Futures.

Rebalancing	LTD Passive	LTD Reb	Reb Effect
US EQUITIES	49.3%	60.6%	11.3%
INSURANCE	-5.7%	-9.0%	-3.3%
	43.6%	51.6%	8.0%

## Absolute and Relative Performance and Risk

	Monthly (%)	YTD (%)	LTD (%)	LTD (% p.a.)	Vol (%)	Sharpe	Sortino	Peak Trough	NAV
SPX	-5.7%	-17.2%	49.3%	9.7%	19.4%	0.5	0.8	-23.9%	149.3
AQUA	-6.7%	-2.4%	51.6%	10.1%	14.3%	0.7	1.6	-10.9%	151.6
Difference	-1.0%	14.8%	2.3%	0.4%	-5.1%	0.2	0.8	13.0%	2.3

## Historical Performance



Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year	Total
2018	-	0.0%	0.0%	0.0%	0.0%	0.0%	0.3%	3.1%	0.3%	-3.4%	1.5%	-6.8%	2018	-5.1%
2019	6.7%	2.6%	1.3%	3.3%	-4.8%	4.6%	1.8%	3.8%	0.2%	1.2%	1.8%	1.5%	2019	26.5%
2020	2.7%	-2.5%	-1.6%	12.3%	5.8%	1.1%	4.7%	3.8%	-6.4%	-4.8%	4.3%	4.4%	2020	24.7%
2021	-1.9%	-2.7%	2.1%	3.4%	5.9%	-2.9%	1.3%	0.3%	-5.4%	2.7%	0.4%	0.9%	2021	3.7%
2022	-6.0%	6.4%	5.2%	-1.2%	-2.7%	-4.8%	6.6%	-3.0%	-1.2%	7.6%	-1.3%	-6.7%	2022	-2.4%

**DISCLAIMER.** This fact sheet is not a sales prospectus. The materials are intended solely for general information about the Strategy. Past performance is no guarantee of future results. Realized performance may differ from Target Performance, and can be positive or negative. The NAV of class A displayed in the factsheet is computed net of management and performance fees. The strategy is also available via other share classes in USD, EUR, and GBP with different management and performance fees, and minimum investment amount. All share classes available with daily liquidity at NAV.